

GOODWILL SPECIALTY SERVICES, INC.

Serving Eastern Nebraska and Southwest Iowa

January 14, 2005

Mr. G. John Heyer
1421 Jefferson Davis Highway
Jefferson Plaza 2, Suite 10800
Arlington, VA 22202-3259

Dear Mr. Heyer:

On behalf of Goodwill Specialty Services, Inc., we are writing to express our opposition to the proposed notice of rulemaking [Docket No. 2004-01-01] from the President's Committee for Purchase From People Who Are Blind or Severely Disabled. The proposed rulemaking on governance standards for central nonprofit agencies and nonprofit agencies participating in the Javits-Wagner-O'Day (JWOD) Program exceeds the scope of the Committee's authority and Congressional mandate.

Through Goodwill Specialty Services, Inc., federal contracts are attained from government agencies providing program participants with disabilities employment in a supportive, team-oriented work environment. Our Supervisors currently provide 177 employees with continuous encouragement and assistance.

Goodwill Specialty Services, Inc. offers jobs at Offutt Air Force Base, STRATCOM, Offutt Postal Services, the Base Information Transfer Center, the IRS building and Lincoln Federal Building. Most NISH positions are custodial in nature with the exception of a few postal clerk jobs.

The authorizing statute for the JWOD program clearly delineates the powers and responsibilities of the Committee (41 CFR 51-2.2, 41 U.S.C § 46). These powers and responsibilities do not extend to governance standards or executive compensation. Both Congress and the Internal Revenue Service (IRS) have jurisdiction over these areas. The Committee is mandated with determining which commodities and services should be on the Committee's procurement list. The Committee helps to set the fair market price and informs federal agencies about the JWOD program.



We're About People Working.

Accredited by the Rehabilitation Accreditation Commission

As a participating JWOD agency, we would hope that the Committee would comply fully with the Congressional intent to provide employment and training opportunities for persons who are blind or have other severe disabilities and not delve into areas for which it lacks both the Congressional and statutory authority necessary to promulgate governance and other standards. The proposed rules will negatively impact the entire community of participating nonprofit agencies, despite the Committee's own comment that the overwhelming majority of JWOD-affiliated central nonprofit agencies operate in an ethical and accountable manner.

The statutory authority and regulations, as well as the legislative history, in addition to the applicable federal case law, do not support the Committee's actions. Furthermore, we have concerns understanding the rationale for the Committee to purport to assume regulatory authority over the governance standards for nonprofit, tax-exempt 501 (c) (3) organizations, because numerous federal entities exist to regulate these organizations.

We believe that the proposed rules do not advance the Congressional intent of the enacting JWOD legislation, and would, if adopted, diminish the program's ability to increase employment opportunities for the blind and disabled. We respectfully request that the Committee withdraw these rules.

If all nonprofit organizations were restricted to the managerial compensation levels specified in the proposed rules, many would be unable to attract and retain the most experienced and talented personnel, particularly in high-cost-of-living metropolitan areas. The resulting loss of talent and "brain drain" would, over years, reduce employment and training opportunities for blind and disabled citizens. In addition, for many larger organizations, only a small portion of the overall budget is a result of JWOD-affiliated work.

Thank you in advance for your attention in this matter.

Respectfully,


Frank McCree
Executive Director